

IRS News Release

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IRS E-File Opens for 2007 Filing Season

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WASHINGTON — Taxpayers may file their 2006 tax returns electronically beginning today as the Internal Revenue Service opens the e-file program following a record-setting year.

“E-file is fastest, safest and most accurate way to file a tax return,” said IRS Commissioner Mark W. Everson. “People will get their refunds faster through e-file. E-file greatly reduces the chances for making an error compared to filing a paper 1040.”

Taxpayers who use IRS e-file and who choose direct deposit can receive their refund in half the time. Also, tax return information is protected through encryption, and an e-filed tax return is far more accurate than a paper return. Taxpayers receive an acknowledgement within 48 hours that the IRS accepted the return.

IRS e-file surpassed a record in 2006 when more than 73 million tax returns, almost 54 percent of all returns, were filed electronically.

IRS e-file allows taxpayers to file their return and pay later should they owe taxes, and it allows taxpayers to file both the federal and most state returns at the same time. The IRS began the e-file program in 1986 as a pilot project in three cities: Cincinnati, Phoenix and Raleigh-Durham, N.C. That year, there were 25,000 tax returns filed electronically. The e-file program expanded nationwide in 1990 and 4.2 million tax returns were filed. IRS e-file has undergone tremendous growth each year.

Taxpayers may use IRS e-file through their tax preparer, over-the-counter software or Internet programs. The IRS does not charge for e-file, but some tax preparers and software manufacturers may charge a fee.

IRS Free File, a partnership between the IRS and some software manufacturers, will offer free tax preparation and e-filing for taxpayers with an Adjusted Gross Income of \$52,000 or less. This AGI accounts for 70 percent of all taxpayers or 95 million taxpayers. This year the program features an agreement by private sector partners to remove Refund Anticipation Loans (RALs) as well as other ancillary offerings from the program. Free File will be available later this month.

Feb. 3 Start Date for Extenders Provisions

The IRS plans a Feb. 3 start date for processing tax returns that claim key tax provisions enacted in December. Both paper and electronic returns will not be processed if submitted before Feb. 3. Tax returns filed on paper will be accepted but will not be processed until after IRS processing systems are updated on Feb. 3.

The IRS also noted that it will begin processing both e-file and paper tax returns that include claims for key “extender” provisions, including deductions for state and local sales taxes, higher education tuition and fees, and educator expenses on Feb. 3. Any other tax returns for individuals that do not claim an extender provision can be filed as normal this month.

Tax returns filed on paper with these extender provisions will be accepted but will not be processed until after IRS processing systems are updated on Feb. 3.

The IRS emphasized that using IRS e-file is the most accurate to file any return and the quickest way for taxpayers to receive their refunds. Tax software will be updated so taxpayers can easily claim the extender provisions.

Related Items:

- [IRS E-File](#): Filing Your Taxes was Never Easier!
- [Electronic IRS](#)
- [Electronic IRS Press Kit](#) (12 pages, PDF)
- [E-File Fact Sheet](#)
- [IR-06-195](#), IRS Begins Implementing Extenders Legislation; Works to Help Taxpayers During Filing Season
- [Free File](#)
- [1040 Central](#)
- [Where's My Refund?](#)